DOCUMENT RESUME

ED 455 986 RC 023 091

TITLE	Options for a Federal Role in Infrastructure Development at Tribal Colleges & Universities.
INSTITUTION	Institute for Higher Education Policy, Washington, DC.
PUB DATE	2000-02-00
NOTE	52p.; Presented to the White House Initiative on Tribal Colleges and Universities.
AVAILABLE FROM	Institute for Higher Education Policy, 1320 19th St., NW, Suite 400, Washington, DC 20036. Tel: 202-861-8223. For full text: http://www.ihep.com/infrastructure.pdf.
PUB TYPE	Reference Materials - Directories/Catalogs (132) -- Reports - Descriptive (141)
EDRS PRICE	MF01/PC03 Plus Postage.
DESCRIPTORS	*College Buildings; Colleges; *Construction Needs; *Educational Facilities Improvement; *Federal Aid; Federal Indian Relationship; *Federal Programs; Financial Needs; Higher Education; Philanthropic Foundations; Private Financial Support; School Construction; *Tribally Controlled Education; Trust Responsibility (Government)
IDENTIFIERS	State Tribal Relationship

ABSTRACT

Due to rapidly increasing enrollments and inadequate existing facilities, the federal government must play a stronger role in supporting infrastructure development at tribal colleges. The federal government's role stems from its trust relationship with American Indian tribes and from the fact that the tribal colleges missed the height of federal support for infrastructure development programs. This report details selected federal programs that might be used by tribal colleges to meet some of their facilities' needs. For each program, information is provided on type of assistance, legal authority, administering office, purpose, eligible beneficiaries, funding obligations, and average awards. In some cases, supplementary information from agency and department Web sites, the Federal Register, and relevant legislation is provided. Federal programs are divided into three categories: programs available to tribal colleges, general community development programs, and innovative approaches. In addition, the potential of state and private resources to supplement federal programs is assessed. It is concluded that Tribal Colleges can expect very little state funding in the future, and most tribal colleges do not have the resources necessary for comprehensive fundraising efforts. Recommendations include appropriating funds to currently authorized programs, exploring the possibility of using funds through the Department of Agriculture's rural development community facilities grants, and encouraging tribal colleges to fully utilize currently available supplemental sources of funding, such as funding for research facilities and historic preservation. (Contains 52 references.) (TD)

Reproductions supplied by EDRS are the best that can be made
from the original document.

ED 455 986

OPTIONS FOR A FEDERAL ROLE IN INFRASTRUCTURE DEVELOPMENT AT TRIBAL COLLEGES & UNIVERSITIES

PRESENTED TO THE
WHITE HOUSE INITIATIVE
ON TRIBAL COLLEGES AND UNIVERSITIES

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Colleen T O'Brien

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

Prepared by:

THE INSTITUTE
for Higher Education Policy
1320 19th Street, NW / Suite 400
Washington, DC 20036
(202) 861-8223

February 2000

Alisa Federico Cunningham, Senior Research Analyst
Jamie P. Merisotis, President
Thomas R. Wolanin, Senior Associate
Mark P. Harvey, Project Assistant

RC 023091

BEST COPY AVAILABLE

Table of Contents

I. Introduction 3
Overview of Tribal Colleges' Facilities Needs 3
Definitions and Sources 6

II. The Role of the Federal Government 8
Direct Federal Support for Construction of Facilities 9
Shifts in Type, Extent, and Sources of Support 14
Examples from the States and the Private Sector 16

III. Current Programs 19
Federal Programs 19
Potential State and Private Resources 32

IV. Conclusions and Recommendations 34

References and Other Sources 36

Endnotes 40

Table 1: Selected legislation relevant to the federal government's role in infrastructure development

Table 2: Education programs available to Tribal Colleges

Table 3: General community development programs

Table 4: Innovative approaches

Table 5: Programs targeted toward other minority-serving institutions

I. Introduction

The infrastructure and capital financing needs of Tribal Colleges present some of the most significant challenges facing these institutions. According to a 1999 report (AIHEC and The Institute for Higher Education Policy, 1999), the quality and number of facilities are a serious problem for Tribal Colleges, most of which have campuses consisting of a patchwork of aging buildings that were not initially constructed to be higher education academic facilities. For example, many of the colleges operate out of abandoned or donated buildings that have hazards such as leaking roofs and crumbling foundations. Frequently, the colleges do not even have blueprints for some of their buildings, adding further obstacles and greater costs to any renovation plans. Even though many of the colleges have identified facility maintenance and construction as a high priority, most are forced to put available money into instruction-related expenses instead.

When Tribal College presidents met to discuss their priorities for the Executive Order on Tribal Colleges and Universities, they decided that capital development, particularly facilities renovation and construction, was a primary concern (WHITCU, 1998). Key areas that need to be addressed include student housing, instructional buildings (libraries, classrooms, laboratories, health facilities), equipment (desks, computers), maintenance of facilities and equipment, and waivers of matching requirements for infrastructure programs. This paper focuses on one aspect of these needs: the construction, renovation, and repair of instructional and housing facilities.

Overview of Tribal Colleges' Facilities Needs

A recent survey of some of the facilities needs of Tribal Colleges found more than $200 million in construction, renovation, and repair needs for all of the colleges combined, and an average of almost $8 million per college

(ORBIS Associates, 1997).[1] The list of funding priorities includes facilities such as science and math laboratories, library buildings, community centers, dormitories, and child care facilities. Thirteen of the colleges report that they need to increase the number of classrooms on campus, at an estimated cost of more than $18 million (AIHEC and The Institute for Higher Education Policy, 1999). These needs are quite different from planned facilities at major universities, which may include sports stadiums and state-of-the-art research laboratories.

Tribal governments and the federal government are the primary partners in assisting Tribal Colleges in meeting their infrastructure development needs. To an extent, tribal governments play a role similar to the one state and local governments play for public universities and community colleges. However, the tribes have not been able to address the needs of Tribal Colleges—not only due to the backlog of facility needs for elementary and secondary schools, but also because of the overall inadequacy of their resources.

The federal agency traditionally involved with reservation education facilities, the Bureau of Indian Affairs (BIA), is not responsible for the facilities of most Tribal Colleges because they are not owned or operated by the BIA (U.S. Senate, 1993). The primary vehicle of federal support for the majority of Tribal Colleges, the Tribally Controlled College or University Assistance Act (TCCUAA),[2] does have a construction provision: for FY1999, $10 million was authorized for renovation, repair, and construction of facilities at the Title I colleges and $2 million at Diné College, and "such sums as necessary" are authorized through FY2003. However, funds for the TCCUAA construction provision have never been appropriated. Similarly, a construction provision authorized through the Equity in Educational Land-Grant Status Act of 1994 provides for an unrealistically low amount of funding and has never been funded. In 1998, the Senate Appropriations Committee requested the BIA to review Tribal College needs and recommend plans for improving their facilities, including cost estimates and a reasonable federal share for meeting such costs (U.S. Senate Appropriations Committee, 1998). This review could be used to justify the specific amount of funds that would be necessary;

however, the BIA has not conducted the survey.

Lacking consistent support, Tribal Colleges have turned to several federal programs in the past decade to acquire one-time or temporary funding for some facilities needs. Examples include the following (U.S. Senate, 1993; Billy, 1999):

- The Library Services and Construction Act, which included an Indian set-aside for public library services on Indian reservations. However, grants were competitive and the total amount available was generally less than $2 million per year in the early 1990s. The construction aspect of the act has since been eliminated.
- A one-time appropriation in FY1991 of approximately $1.8 million through the General Services Administration to help eliminate health, safety, and overcrowding problems.
- Indian vocational programs, which have provided competitive grants that have been used by the colleges to establish training programs. As part of these training programs, the students themselves have constructed or renovated facilities.
- Minority science improvement projects have been used by several of the colleges to renovate or expand science facilities, despite the minimal amounts of money provided ($30,000 to $40,000 over a three-year period) available in the early 1990s.
- The Higher Education Act's Title III grants for Strengthening Institutions have been used in some cases for construction of facilities.
- Abandoned Bureau of Indian Affairs buildings have been donated to some of the colleges for their use, although the property generally has been received in poor condition.

Combined, these one-time allocations do not add up to much. In October 1999, the American Indian Higher Education Consortium surveyed its members regarding their use of federal programs for facilities funding. Of the 24 colleges that responded to the survey, half had not received any federal funding to be used for facilities during the last five years. The 12 colleges that did receive funding reported receiving a total of only $12 million, an average of about $1 million, over the five years.

It is clear that these efforts to obtain federal funding fall far short of the needs that exist for the colleges. The extreme need for construction, renovation, and repair of academic and other facilities at Tribal Colleges means that meeting this need is an educational necessity. The demand therefore continues to exist for the federal government to play a stronger role in supporting infrastructure development at Tribal Colleges. This paper argues that the federal government's role stems from two factors: the existence of a trust relationship between American Indian tribes and the federal government, and the fact that the Tribal Colleges were unable to take advantage of the significant investment made by the federal government in academic facilities in the past. After presenting this argument, the paper details selected federal programs that might be used by Tribal Colleges to meet some of their facilities needs. In addition, the potential of state and private resources to supplement federal programs is assessed. The paper concludes with recommendations for how the White House Initiative on Tribal Colleges and Universities might help the Tribal Colleges meet their facilities goals.

Definitions and Sources

Infrastructure development is the expansion of the elements of a higher education institution that provide a base for operation and the accomplishment of its mission. As used in this paper, infrastructure development involves the construction, renovation, and repair of instructional and other facilities, such as dormitories, health facilities, and libraries. The discussion therefore excludes programs that are directed toward equipment, technology infrastructure, and maintenance of facilities, despite the fact that these areas are equally as important to addressing Tribal Colleges' infrastructure needs.

Information on current federal programs is derived primarily from the Catalog of Federal Domestic Assistance (CFDA), which describes the more than 1,000 financial and nonfinancial assistance programs administered by the departments and establishments of the federal government. The catalog is published by the General Services Administration twice annually; June 1999 was the most recently published update at the time this paper

was written. Federal domestic assistance programs are catalogued regardless of whether they are identified as a separate program by statute or regulation; thus, one program may be authorized by more than one legislative act. For each program, the CFDA provides the type of assistance, the legal authority, the administering office, the purpose, the eligible beneficiaries, the funding obligations, and the average award amounts (see GSA, 1999). In some cases, CFDA information is supplemented with more specific or recent data from agency and department websites, the Federal Register, and relevant legislation.

The types of federal assistance available through federal programs have been classified into 15 forms under the CFDA methodology. The following forms of assistance are most relevant for the purposes of this paper:

- *Formula grants*. Funds distributed according to a mandated formula, generally to states, for activities of a continuing nature.
- *Project grants*. Funds provided for specific projects for a fixed amount of time, including research grants, training grants, planning grants, and construction grants.
- *Direct payments for specified use*. Funds provided directly to individuals or private organizations that are conditioned upon a particular performance by the recipient.
- *Direct loans*. Financial assistance provided through the lending of funds for a specific period of time, which usually requires the payment of interest.
- *Guaranteed/insured loans*. Programs in which the federal government arranges to indemnify a third-party lender against defaults.
- *Sale, exchange, or donation of property and goods*. Programs that provide for the sale, exchange, or donation of federal real property and other goods, including land, buildings, and equipment.

The programs presented in Tables 2 through 5 are based primarily on the CFDA along with supplemental materials. These tables are not intended to be exhaustive, but rather provide a selection of potential opportunities for meeting Tribal Colleges' facilities needs.

Information on historical trends (Table 1) was drawn from a variety of sources, including program descriptions, agency websites, legislation, and other materials. Most of these sources are listed in the references section.

II. The Role of the Federal Government

Under treaties signed between the federal government and Indian tribes, the federal government has had two principal responsibilities: protection of property and provision of public services that were not available through state or local governments. These treaties, along with other agreements between the federal government and American Indian tribes as sovereign entities, led to a government-to-government "trust relationship" in which the federal government owned the fee title to the land and the tribes owned the beneficial interest. Public services provided by the federal government are based on this trust relationship and include services in the areas of health, education, and economic development (Congressional Quarterly, 1965). In addition to legal obligations, a perception exists that the federal government has a broader moral obligation to guard the interests of American Indians (Wolanin, 1998). The special relationship between the federal government and sovereign tribes often has been clouded by controversy, however, and responsibility for education has been a consistent source of conflict among tribes, states, and the federal government (Kickingbird and Charleston, 1992).

Despite its unevenness, the history of federal government assistance for American Indians often has involved support for the construction, renovation, and repair of different types of public facilities in American Indian communities. Programs enabled by health care legislation, impact aid, and other legislation have supported health facilities, elementary and secondary schools, and libraries in American Indian communities, frequently through set-asides and the authorized use of funds from other major legislation. (See Table 1.) Such funding continues to be available, but frequently has not matched the pace of demand for such facilities. In addition, until the late 1960s virtually all federal government support for American Indian education was focused on the elementary and secondary levels. The passage of historic acts such as the Tribally Controlled College or University Assistance Act in 1978 and the Equity in Educational Land-Grant Status Act in 1994 may have signaled the beginning of a more extensive federal government commitment to the support of American Indian postsecondary education, yet the provisions of these acts that deal with facilities construction and renovation at Tribal Colleges have never been funded.

Nevertheless, these types of programs form the foundation for federal support in the area of American Indian higher education infrastructure. This role is particularly important for two reasons. Although the federal government historically has been heavily involved in supporting infrastructure development at colleges and universities, Tribal Colleges generally were unable to participate in most of these programs due to their relatively recent establishment. In addition, most Tribal Colleges cannot count on any support from state and local governments, which have come to provide the bulk of assistance to mainstream institutions in recent years.

Direct Federal Support for Construction of Facilities

Federal support for higher education facilities has come from many sources and in many different forms. In some cases, support has been directed toward instructional buildings themselves; in other cases, programs have supported dormitories, libraries, and health facilities such as hospitals, all of which are relevant to a higher education setting. (See Table 1.)

In the 19th century and early 20th century, land-grant legislation encouraged the 50 states to establish public universities specializing in agriculture and the mechanical arts. The establishment of these public universities (the "1862 institutions") was initiated by donations of land under the First Morrill Act. Several historically Black institutions (the "1890 institutions") came about or became land-grants as a result of the stipulations of the Second Morrill Act, which tied annual grants to states for the operation of land-grant institutions to the states' ability to show that race was not an admissions criterion or else designate a separate land-grant college for Black students. Subsequent legislation provided for various forms of funding, primarily for the 1862 institutions, for instruction in food and agricultural sciences, research, extension work, and a small portion that could be directed toward construction and improvement of relevant facilities. In the mid-1960s, the 1890 institutions began to receive a share of the research and cooperative extension funds (Wolanin, 1998), and subsequently programs were created that specifically targeted the facilities needs of the 1890 institutions. Land-grant support continues to be a supplemental source of funding for infrastructure today, especially for the 1890 institutions.

Immediately after WWII, legislation was passed that had a broad impact on infrastructure development. The Hill-Burton Act of 1946 established a federal grant program for the construction and modernization of hospital facilities—some of which were located on university campuses—while the Housing Act of 1950 provided for low-interest loans to colleges and universities for the construction of student and faculty housing. Support from several sources was available for the construction and renovation of research facilities at colleges and universities, especially in the sciences. In 1950, for example, legislation creating the National Science Foundation provided grants to promote the modernization of science and engineering facilities. Grants from the National Institutes of Health also funded health research facilities beginning in 1956. Thus, "as early as 1956, federal government funds accounted for 20 percent of college and university construction expenditures" (Froomkin, 1968, p. 29).

Table 1: Selected legislation relevant to the federal government's role in infrastructure development

Name	Enacted	Description	History
First Morrill Act	1862	Provided public land or the equivalent in scrip to each state for the establishment of public "land-grant" institutions. States were expected to contribute to the maintenance of the land-grant institutions as well as to provide its buildings.	The federal government has significantly expanded its contributions to 1862 land-grant institutions. The Hatch Act of 1887 authorized funding for an agricultural experiment station for each institution. The Second Morrill Act of 1890 supplemented this with direct appropriations to institutions for instruction. The Smith-Lever Act of 1914 established a cooperative extension service system (states must provide matching funds).
Second Morrill Act	1890	Effectively created the 1890 land-grant institutions, as it tied direct appropriations to states' ability to show that race was not an admissions criterion or else designate a separate land-grant college for black students. The funds (allocated between the 1862 and 1890 schools) were to be used for instruction in food and agricultural sciences and for facilities used for such instruction.	Because 1890 institutions did not receive the Hatch and Smith-Lever funds, legislation in the 1960s created counterpart programs for them. The Evans-Allen program supports agricultural research at the 1890 institutions and a separate program funds extension activities. Both continue to exist, and have been used for construction of facilities. However, the direct appropriations to 1862 and 1890 institutions under the Second Morrill Act were terminated in 1994.
Johnson-O'Malley Act	1934	The act allowed the Bureau of Indian Affairs to contract with public and non-profit organizations in order to provide assistance programs for American Indians in the areas of welfare, agriculture, and education. Programs for Indians in public schools were carried out under this act.	The program still exists and provides such services as home school coordinators, remedial tutoring, educational field trips, and cultural programs. Approximately 272,000 students in 33 states are served annually.
Surplus Property Act	1944	The act authorized the transfer of federal surplus property to educational institutions.	Programs allowing the transfer of surplus property and equipment to colleges and universities continue to exist.
Hill-Burton Act	1946	Officially titled the Hospital Survey and Construction Act, the Hill-Burton Act established a federal grant program to modernize and construct hospital facilities. In exchange for these funds, the facilities agreed to provide free or reduced cost services to those people unable to pay.	Direct loans and loan guarantees were authorized under the program in 1970. Construction and renovation funds are no longer available through the program. However, monitoring and enforcement of the free or reduced cost services provision continues.
Housing Act	1950	Title IV of this act created a revolving fund, which provided 50-year low interest loans to colleges and universities for the construction of student and faculty housing. The program was administered by the Housing and Home Finance Agency (which became the Department of Housing and Urban Development), which created the Community Facilities Administration in 1954 (see below).	Loans under this program were made as late as the mid-1980s. Many of the loans provided are still in the process of being repaid.

Impact Aid Laws	1950	Called Financial Assistance for Local Educational Agencies Affected by Federal Activities, two laws provide for aid to local school districts "impacted" by the presence of federally connected facilities that do not pay local property taxes, including Indian reservations. The federal government compensates impacted communities for the money that is lost. Payments for teachers' salaries and maintenance are provided on a per student basis, in addition to a school construction allowance.	Now authorized under Title VIII of the Elementary and Secondary Education Act, the program continues to provide assistance to impacted areas.
Academic Research Infrastructure	1950	Authorized by the National Science Foundation Act of 1950, this program provided grants to promote the modernization of science and engineering facilities. Funds could be used for architecture and engineering services, inspections, relocation, construction, and related construction management costs. The program was not intended to support the construction or renovation of new facilities.	As of 1997, funding for the program has been eliminated.
Community Facilities Administration (CFA)	1954	The CFA was created to provide financial and technical assistance for the construction and finance of community facilities, including hospitals, college dormitories, public works, and assistance in planning public works.	The CFA was incorporated into the Department of Housing and Urban Development in 1968.
Health Research Facilities	1956	The Health Research Facilities Act authorized a program of matching grants to expand, remodel, or renovate existing health research facilities or construct new research facilities for biomedical and behavioral research and training, mostly at medical schools.	In 1963, amendments allowed grants for multipurpose facilities that would provide teaching space as well as research space. Funds to improve research infrastructure in health fields are still available through the National Institutes of Health.
Library Services Act	1956	Originally adopted to provide grants for the expansion of library services into rural America. Amendments added in 1964 provided for grants to states for the construction of public library facilities and operating costs of libraries, and the program was expanded to include all areas in need of library services. A percentage of funds was set aside to be used for grants to Indian tribes.	The library services provisions were brought into the Higher Education Act as Title II. This section of the HEA was repealed in 1996 along with the consolidation of legislation affecting libraries. Under the consolidated legislation, funding is still available for library services, some of which is specifically targeted to American Indian communities. However, programs for library construction are no longer funded.
Indian Health Care	1957	In 1957, legislation was passed that authorized the use of appropriated Indian health funds for construction of community hospitals serving both Indians and non-Indians.	Funding is still available through various federal programs for construction, renovation, and repair of health facilities, especially those serving minority populations.
BIA School Construction	1958	Sources of funding for construction of K-12 schools on Indian reservations were significantly improved when legislation was enacted that allowed reservations to receive payments from both Impact Aid and Johnson-O'Malley construction programs. Other legislation accelerated the construction of BIA schools.	In the early 1960s, an aggressive program of construction helped to double the number of Indian children in school, as well as replacing many outdated and unsafe buildings.

BEST COPY AVAILABLE

Higher Education Facilities Act (HEFA)	1963	This act originally authorized grants and loans to institutions for the construction or improvement of libraries and classrooms where science, engineering, mathematics, or modern language courses were taught. Restrictions on the type of facilities were removed in 1965.	With the passage of the Higher Education Act in 1965, the Higher Education Facilities Act was incorporated as Title VII.
Higher Education Act (HEA)	1965	Title VII of the Higher Education Act included the College Facilities Loan Program, which provided low-interest loans to assist higher education institutions or building agencies to construct or renovate housing, academic facilities, and other educational facilities. In subsequent years, the provisions of Title VII were expanded or modified to include loan guarantees and interest subsidy grants, which reduced the interest rate on privately funded facilities loans. In 1986, Connie Lee was created under Title VII (see below).	After amendments to the Higher Education Act, Title VII no longer allows for construction or renovation assistance. Loans have not been approved for subsidization under the subsidy grant program since FY1973, and new loans have not been made under the College Facilities Loan Program since FY1986. However, appropriations are still made under these programs to meet prior obligations.
Title III Institutional Aid Programs	1965	Some of the funds authorized under Title III of the Higher Education Act of 1965, Strengthening Institutions, have been used by institutions for construction, especially Historically Black Colleges and Universities under Part B (enacted in 1986).	Title III still provides limited funds for infrastructure maintenance and improvement. The Historically Black College and University Capital Financing Program was brought under this title (from Title VII) through recent amendments to the HEA, and language allowing construction and renovation of instructional facilities was introduced for the Part A Strengthening Institutions program (which now includes a subpart for Tribal Colleges). The Developing Hispanic-Serving Institutions program has similar language, but was separated from the Title III programs as Title V of the HEA.
Housing and Urban Development Act	1968	The Housing and Urban Development Act sought to relieve the government of the increased demand for federal loans for college housing, through a grant program that subsidized the difference in interest between loans from private sources and those secured from the government.	Although the administration had hoped to phase out the direct housing loan program and replace it with the subsidized interest program, the direct loan program continued to exist into the 1980s.
College Construction Loan Insurance Corporation	1986	The College Construction Loan Insurance Corporation (Connie Lee), a for-profit government-sponsored enterprise, was established as part of the 1986 Higher Education Amendments to help creditworthy institutions with low bond ratings issue bonds to finance the construction of facilities. Toward this end, Connie Lee insured and reinsured municipal bonds issued by higher education institutions. In 1992, the program's authority was extended to aid some institutions with higher bond ratings provided that no other company would insure the bond.	After Congress voted to privatize Connie Lee in 1996, it was acquired by Ambac, Inc., a holding company that provides financial guarantee insurance, in 1997.

In many respects, the 1960s represented the height of federal funding for higher education facilities. Amendments to the Library Services Act of 1956 authorized grants to states for the construction of public library facilities as part of the expansion of library services to areas of need. Another piece of legislation with major impact, the Higher Education Facilities Act (HEFA) of 1963, authorized grants and loans to higher education institutions for the construction or improvement of libraries and classrooms in which science, engineering, mathematics, or modern language courses were taught. The restrictions on the type of facilities eligible for these funds were removed in 1965, as HEFA was incorporated into the Higher Education Act (HEA) as Title VII. (The higher education library services programs also were incorporated into the HEA as Title II.) Some funding for facilities also has been available under Title III of the HEA, which provides grants to institutions that enroll large percentages of needy students or that have low financial resources. Such funds have been especially useful for Historically Black Colleges and Universities, which received awards of between $500,000 and $2.6 million in Fiscal Year 1999 under Title III. Collectively, the HEA programs had a significant impact on the facilities needs of colleges and universities during this period.

In subsequent years, the various provisions of Title VII of the HEA evolved to include loan guarantees, interest subsidy grants, and a for-profit government-sponsored enterprise, the College Construction Loan Insurance Corporation (Connie Lee). For example, interest subsidy grants were introduced to subsidize the difference in interest between loans from private sources and those secured by the federal government, and Connie Lee was established in 1986 to help creditworthy institutions with low bond ratings issue municipal bonds to finance the construction of facilities.

Shifts in Type, Extent, and Sources of Support

Over the past few decades, however, the overarching trend in federal government support for academic infrastructure has been one of decline. Historical trends show two main shifts in the federal role in supporting the development of national infrastructure. In terms of the nature of federal funds, available monies started to

be targeted on transportation rather than on higher education and other infrastructure. Between 1967 and the early 1990s, federal highway spending made up the bulk of federal infrastructure investment; without these transportation funds, federal spending would have declined after 1977. Second, the responsibility of meeting infrastructure needs gradually has shifted to local and state governments. By the early 1990s, most capital funding for higher education facilities was occurring at the state level, and to a lesser extent the institutional level through the issuance of tax-exempt bonds (Merisotis, Chun, and O'Brien, 1991).

These shifts have meant a lessening of the federal role in higher education infrastructure development. Many key higher education infrastructure programs have been scaled down or eliminated; the most important were the various provisions that had become Title VII of the Higher Education Act. Loans for student housing have not been made since the 1980s, the construction aspects of the library services provisions have been eliminated, and grants and loans for college academic facilities construction are no longer available. In 1996, Congress voted to privatize Connie Lee. Similar reductions have occurred in facilities programs for land-grant institutions and health and scientific research facilities.

The case of science and engineering facilities illustrates the declining federal role and shift to states and institutions, especially in the last decade. In 1990-1991, science and engineering research space construction costs were financed primarily from internal resources (51 percent), such as institutional funds, private donations, and tax-exempt bonds; this was followed by funds from state and local governments (32 percent) and the federal government (16 percent). By 1996-1997, the distribution had shifted further, to 60, 31, and 9 percent, respectively (NSF, 1996 and 1998). By 1997, the National Science Foundation's program for construction of research buildings had been terminated (Brainard, 1999).

In parallel with the scaling back of the federal role, the form of federal assistance has changed. Thus, grants to land-grant institutions, library services grants, grants for research facilities, and the provisions of the original Higher Education Facilities Act were followed or replaced by various initiatives that focused on direct loans,

interest subsidy grants, and ultimately insurance on bonds issued by higher education institutions. This shift from grants to loans has accompanied the transition toward support from states and institutions, as both of the latter tend to use the issuance of debt to finance the construction and maintenance of higher education facilities.

Because Tribal Colleges are relatively young institutions, they missed the height of federal government support for infrastructure development programs. Mainstream colleges and universities were able to benefit from such federal government support in the past, a factor that clearly helped their ability to expand and stabilize throughout the 1950s, 1960s, and 1970s. Given the immediate facilities needs of the Tribal Colleges—with their rapidly increasing enrollments and inadequate existing facilities—the colleges are in a situation that is similar to where other institutions were several decades ago. They cannot afford to address the situation on their own, yet they generally cannot turn to state or local governments for external support.

Examples from the States and the Private Sector

The bulk of funding for facilities construction and renovation is now derived from the states and local governments as well as colleges and universities themselves. Many states have special funds reserved for construction and renovation at colleges and universities, especially those in the public sector; others rely on targeted appropriations from the state legislature, while still others rely on some combination of these options or others. For example:

- In New Mexico, legislative appropriations are the source of funds for new construction and deferred maintenance, through general obligation or severance tax bonds (NASBO, 1996). The state legislature appropriated about $9.3 million for capital outlay projects in 1997, and has appropriated more than $200 million since 1992.[3] Overall, about two-thirds of this funding has gone to universities, while one-third went to two-year campuses. The building renewal and replacement (BR&R) formula is currently funded at 23 percent (New Mexico Commission on Higher Education, 1998 and 1999).

- In South Dakota, bonds are the source of funds for new construction for the state university system, through the South Dakota Building Authority. In addition, the Higher Education Facilities Fund provides allocations toward maintenance and repair of current facilities; 20 percent of all instructional

tuition and fees goes into the fund (NASBO, 1996). In FY1999, $4.4 million was allocated to the fund (South Dakota Board of Regents, 1998). However, the state has been pushing universities to increase non-state financial support for capital funds used to repair, renovate, and construct campus buildings.

- In New Jersey, public funding for facilities takes three forms: 1) annual appropriations to address maintenance, renewal, and upgrades (but rarely new construction), which are generally not available to independent institutions; 2) general obligation bond issues authorized by state voters, which may benefit all sectors of higher education; and 3) the more recently created Higher Education Facilities Trust Fund, a debt capacity program in which revenue bonds backed by annual state appropriations are issued and in which all sectors may participate (New Jersey Commission on Higher Education, 1999).

In addition, higher education institutions—especially private institutions—often finance capital spending through capital campaigns, their operating and capital budgets, private sector loans, and the direct issuance of debt. In fact, higher education institutions have become increasingly reliant on bond issues and deficit spending in recent years, with $15.5 billion worth of higher education bonds being sold on Wall Street in 1998. In the early 1990s, colleges issued bonds primarily to refinance with lower interest rates; in the past five years, however, 64 percent of their bond issues have been for new buildings and other capital projects (Van der Werf, 1999).

Issuance of debt may occur through state entities such as the New Jersey Educational Facilities Authority (New Jersey Commission on Higher Education, 1999), or through private sector companies that specialize in debt financing for the public sector. Debt for auxiliary facilities such as dormitories is typically repaid through fees charged to users, while debt for academic facilities is repaid through earmarked fees, tuition, or general revenues. Other examples of private sector or non-profit sector involvement in higher education facilities financing include the following:

- Ambac Financial Group, Inc. provides financial guarantee insurance to both the public and private sector, and is involved primarily in insuring municipal and structured finance obligations. Ambac has

insured debt issued by the Metropolitan Higher Education Authority, a non-profit corporation, for the University of Dallas, which is using the proceeds for improvements to student housing and other campus buildings (Ambac Financial Group, Inc., 1999).

- The University Financing Foundation (TUFF) is a non-profit, tax-exempt private foundation that was incorporated in 1982 as Georgia Scientific and Technical Research, Inc., to assist colleges and universities in obtaining research and education facilities and equipment. TUFF offers low-interest loans or lease financing to colleges and universities for their capital needs for smaller projects, and uses tax-exempt debt issued by municipal government authorities for the construction of large research facilities (TUFF, 1999).

Given the decline in federal support for facilities construction, mainstream colleges and universities have turned to local and state governments or to their own resources. With a few unique exceptions (discussed below), however, Tribal Colleges are not eligible for funds appropriated by state legislatures, and most of the colleges do not have the resources to issue debt themselves. As a result, these forms of support cannot compensate for a lack of federal support for infrastructure development. To level the playing field, the federal government must commit itself to playing a role in infrastructure development for the Tribal Colleges that matches or exceeds the role that states are playing for other institutions, especially in the public sector.

III. Current Programs

The previous section has argued that in the interest of matching its past levels of investment, the federal government has a responsibility to become more involved in infrastructure development for Tribal Colleges. The federal responsibility also stems from the trust relationship between American Indians and the federal government, and the fact that the majority of Tribal Colleges cannot count on state and local government support as do community colleges and other public institutions.

Very little federal funding—especially in the form of grants—is currently available to meet the facilities needs of the Tribal Colleges. Nevertheless, there are various programs that have the potential to be tapped to meet some of those needs. At the same time, Tribal Colleges will need to look to private donors, state governments, and other sources in order to leverage or supplement federal funds wherever possible.

Federal Programs

Current federal programs for facilities construction, renovation, or repair can be divided into several categories:

- *Education programs available to Tribal Colleges*. Programs that are targeted toward postsecondary education in general or the Tribal Colleges in particular, some of which already have been used by Tribal Colleges for construction or renovation and some of which include funds for construction that have been authorized, but have not been appropriated.
- *General community development programs*. Programs that are not specifically targeted on higher education facilities construction, but which could be used by tribes chartering Tribal Colleges to fund infrastructure development.
- *Innovative approaches*. Programs that might be used by a few of the colleges to address their facilities needs, but are limited in terms of their specific goals or available funding.

These federal programs, alone or in combination, may be used by Tribal Colleges to address portions of their facilities needs. In addition, Tribal Colleges might propose new programs that are based upon existing programs that target the facilities needs of other minority-serving institutions.

The primary education-related programs targeted toward the Tribal Colleges—those provided for by the Equity in Educational Land-Grant Status Act and the Tribally Controlled College or University Assistance Act (TCCUAA)—are available for construction purposes only in the sense that a legal foundation exists for future support. These two major pieces of legislation *authorize* broader funding for infrastructure development at the Tribal Colleges but funds have not been *appropriated* for either program.

- The Equity in Educational Land-Grant Status Act authorizes $1.7 million per year from FY1996 to FY2002 for an institutional capacity building program for the 1994 institutions. Potential funds could be used for the construction or remodeling of buildings, laboratories, and other facilities associated with instructional activities in agriculture and sciences. In addition to the fact that funds have never been appropriated for this program, the legislation requires non-federal matching funds, which likely would be difficult for the colleges to arrange.
- The TCCUAA authorizes $10 million for FY1999 and as much funding as Congress chooses to provide for FY2000 and the three subsequent years for the improvement and expansion of physical facilities at the Title I colleges.[4] If funds were available, they could be used to meet many aspects of Tribal Colleges' core facilities needs, such as classrooms and student housing. However, this provision has never been funded.

There are a few education-related programs that are currently available to Tribal Colleges for facilities funding. (See Table 2.) Such programs include Title III institutional aid, the minority science improvement program, direct funding for the two tribally controlled postsecondary vocational institutions (United Tribes Technical

Table 2: Education programs available to Tribal Colleges

Program Name and CFDA Number	Administering Agency	Type of Assistance	Program Objectives	Eligible Recipients	Program Obligations	Award Range (last FY and current FY to date)
Assistance to Tribally Controlled Community Colleges and Universities (15.027)	Bureau of Indian Affairs, Department of the Interior	Project Grants	To provide grants for the operation and improvement of tribally controlled community colleges, and to allow for the improvement and expansion of the physical resources of such institutions. Under Section 113 of the Tribally Controlled Colleges or Universities Assistance Act, grants are authorized for construction; however, appropriations have not been made available for such grants. The Navajo Community College Act authorizes grants to Dine College, which may be used for construction and capital improvements.	Tribal Colleges	FY 99 $10 million authorized for construction for Title I colleges; $2 million authorized for Dine College	Not available/ applicable
1994 Institutions Capacity Building Program (no CFDA #)	Department of Agriculture	Grants	To assist the 1994 land-grant institutions with construction, acquisition, and remodeling of buildings, laboratories, and other capital facilities necessary to conduct instructional activities in agriculture and sciences. Requires non-federal matching funds. Under Section 535 of the Equity in Educational Land-Grant Status Act of 1994, funds are authorized but have not been appropriated.	1994 land-grant institutions	Authorized: $1.7 million per year from FY1996 to FY2002	Not applicable
Higher Education, Institutional Aid (84.031A)	Office of Postsecondary Education, Department of Education	Project Grants	To help institutions of higher education with limited financial resources serving significant percentages of needy students improve their academic quality, institutional management, and fiscal stability, and increase their self-sufficiency. Funds may be used for construction, maintenance, renovation, and improvement in instructional facilities.	Part A of Title III of the HEA now includes the Strengthening Institutions Program, the American Indian Tribally Controlled Colleges and Universities Program, and the Alaska Native and Native Hawaiian-Serving Institutions Program. See regulations for specific eligibility criteria.	Available funds FY1999: Strengthening Institutions Part A: $60,250,000; American Indian Program: $3,000,000; Alaska Native/Native Hawaiian Program: $3,000,000	Strengthening Institutions Part A: est. $327,000-$350,000 for development grants, $30,000-$35,000 for planning grants; American Indian Program: est. $347,000-$395,000; Alaska Native/Native Hawaiian Program: est. $347,000-$395,000

BEST COPY AVAILABLE

Minority Science and Engineering Improvement (84.120)	Office of Postsecondary Education, Department of Education	Project Grants	To effect long-range improvement in science and engineering education at predominantly minority institutions. Funds may be used for paying costs necessary for improving and maintaining high quality science and engineering programs. In particular, special project grants support activities that improve the quality of training in science, mathematics and engineering, and enhance minority institutions' general scientific research capabilities.	Private and public accredited two- and four-year institutions of higher education whose total enrollments are predominantly (50 percent or more) minority	FY 99 est. $7,500,000	Est. $18,000 to $500,000
Tribally Controlled Postsecondary Vocational and Technical Institutions (84.245)	Office of Vocational and Adult Education, Department of Education	Project Grants	To provide grants for the operation and improvement of tribally controlled postsecondary vocational institutions to ensure continued and expanded educational opportunities for Indian students and to allow for the improvement and expansion of the physical resources of such institutions. Program funds may be used for capital expenditures, including minor improvements and repair. Also may be used to support courses in construction fields (students may construct buildings as part of their program).	Tribally controlled postsecondary vocational institutions (Crownpoint Institute of Technology and United Tribes Technical College)	FY 99 est. $4,100,000	Average award was $1,550,000
Vocational Education, Indian Set-Asides (84.101)	Office of Vocational and Adult Education, Department of Education	Project Grants (Cooperative Agreements), Project Grants (Contracts)	To make grants to or enter into contracts with Indian tribes or tribal organizations and BIA-funded schools to plan, conduct, and administer programs or portions of programs authorized by and consistent with the Carl D. Perkins Vocational and Applied Technology Education Act. Funds provide vocational and technical educational opportunities for Indians and Alaskan Natives, who may then participate in the construction of facilities as part of their programs.	For the American Indian Vocational Education Program, eligible applicants are American Indian or Alaska Native tribes, Tribal Colleges, and BIA-funded schools offering a secondary education program.	FY 99 est. $12,883,125	$250,000 to $500,000
Replacement and Repair of Indian Schools (15.062)	Bureau of Indian Affairs, Department of the Interior	Direct Payments for Specified Use	To provide education facilities for Indian students attending BIA-owned or funded primary and secondary schools and federally chartered postsecondary schools. Facilities Improvement and Repair funds are provided for planning, design, and construction for facilities improvement and repair. Funds may be used by the two federally chartered postsecondary schools (Haskell Indian Nations University and Southwestern Indian Polytechnic Institute).	Federally Recognized Indian Tribal Governments and Tribal Organizations who have a prioritized Facilities Improvement and Repair project for which funds have been appropriated.	Facilities Improvement and Repair: FY 99 est. $20,000,000	Facilities Improvement and Repair: up to $7 million

BEST COPY AVAILABLE

College and Crownpoint Institute of Technology), and direct funding for the two federally chartered Indian colleges (Haskell Indian Nations University and Southwestern Indian Polytechnic Institute).[5] Funding from these programs could be used by Tribal Colleges to meet some of their facilities needs, including classrooms, science laboratories, and other instructional buildings. In fact, some of these programs *have* been used by Tribal Colleges, particularly the vocational and federally chartered institutions, in the past. For example, Salish Kootenai College has used a series of Title III and other Department of Education grants for construction of facilities (Billy, 1999). However, the amounts involved in these programs are small, are limited to only a few of the colleges, and generally involve a competitive process.

Although they are not targeted specifically toward academic facilities or toward Tribal Colleges, a promising approach to infrastructure development may be to use federal programs that address broader economic development needs. (See Table 3.) In particular, chartering tribes may obtain funds through community development block grant programs or other development programs, and may be able to use the funds to construct multi-use public facilities. This method may be especially useful for those Tribal Colleges whose reported facilities needs are also relevant for the community, such as cultural centers, health and fitness centers, and child care facilities.

Specifically, Tribal Colleges might explore the possible of utilizing the Department of Agriculture's Rural Development programs, which include the Rural Housing Community Facilities program. The Community Facilities program offers direct and guaranteed loans and grants to finance and facilitate the development of essential community facilities serving rural areas, with special emphasis given to small, low-income, and American Indian communities. Grants are typically used to fund projects under special initiatives, such as American Indian community development efforts. Grant funds may be used to construct, enlarge, or improve community facilities for health care, public safety, and other public services—including college classrooms, general education buildings, and libraries (USDA Rural Development Office, 1999).

Table 3: General community development programs

Program Name and CFDA Number	Administering Agency	Type of Assistance	Program Objectives	Eligible Recipients	Program Obligations	Award Range (last FY and current FY to date)
Community Development Block Grant Program	Department of Housing and Urban Development	Formula Grants, Project Grants, Guaranteed Loans	To develop viable communities by providing decent housing and other facilities and by expanding economic opportunities, principally for persons of low and moderate income. In general, block grant funds may be used to improve the housing stock, provide community facilities, make infrastructure improvements, and expand job opportunities. There are many sub-programs under the CDBG umbrella, including entitlement grants for metropolitan cities and urban counties (14.218), grants for states to distribute to areas that do not receive entitlement grants (14.228), loan guarantees to various communities (14.248), and grants to Indian tribes and Alaska Native villages (14.862). There are also set-asides for HBCUs and HSIs (see Table 5).	Varies by specific program.	FY 99 est.: Entitlement: $2,952,740,000; States: $1,205,918,000; Indian: $67,000,000	Varies.
Grants for Public Works and Economic Development (11.300)	Economic Development Administration, Department of Commerce	Project Grants	To promote long-term economic development and assist in the construction of public works and development facilities in areas experiencing substantial economic distress. Funds may be used for such public facilities as vocational schools, business incubator facilities, and infrastructure improvements needed for business expansion.	States, cities, counties, and other political subdivisions, Indian tribes, territories, higher education institutions and private or public non-profit organizations.	FY 99 est. $205,850,000	Average grant in FY 1998 was $851,321
Indian Economic Development (15.032)	Bureau of Indian Affairs, Department of the Interior	Direct Payments for Specified Use	To assist tribal governments in developing resources to improve their economies through administration of credit programs and other economic development assistance activities. Funds are used to administer tribal revolving loan programs and guaranty loan programs to improve access to capital in tribal economies.	Federally recognized Indian tribal governments	FY 99 est. $1,500,000	$5,000 to $300,000
Community Facilities Loans and Grants (10.766)	Rural Housing Service, Department of Agriculture	Direct Loans; Guaranteed Loans; Project Grants	To construct, enlarge, extend, or otherwise improve community facilities providing essential services to rural residents. Community facilities include but are not limited to those providing overall community development, social, cultural, and health benefits. All facilities should be for public use.	City, county, and state agencies, political and quasi-political subdivisions of states and associations, including corporations and Indian tribes	Direct Loans: FY 99 est. $169,476,000; Guaranteed Loans: FY 99 est. $210,000,000; Grants: FY 99 est. $6,500,000	Direct Loans: $50,000to $2,500,000; Guaranteed Loans: $100,000 to $2,500,000; Grants: $10,000 to $100,000.

BEST COPY AVAILABLE

Finally, the Tribal Colleges may try to obtain specific funding for infrastructure development through some innovative approaches. (See Table 4.) Targeted programs could be used by a few of the colleges to address a small portion of their facilities needs. For example:

- Historic preservation funds could be used by Tribal Colleges that have historically significant buildings.
- Some colleges could gain access to surplus federal property for temporary needs. In fact, several of the colleges have already made use of abandoned BIA buildings to begin their campuses. However, this approach depends upon the availability of such property, and usually is a short-term solution because the buildings are in poor condition.
- Several of the colleges also might be able to use funding for research facilities, especially from the National Institutes of Health, to develop facilities that are used for scientific research (similar to the potential use of land-grant funding for the agricultural sciences). This would be particularly useful for the Tribal Colleges that reported a need for science laboratories and other research-related facilities.
- Some specific federal programs might be used by Tribal Colleges, such as those that provide funding to improve the health of minority populations or to improve humanities programs. In some cases, such funding can be used for construction of facilities. Tribal Colleges that reported a need for health professions buildings, fine arts centers, and cultural centers may be able to make use of these programs.

Table 4: Innovative approaches

	Program Name and CFDA Number	Administering Agency	Type of Assistance	Program Objectives	Eligible Recipients	Program Obligations	Award Range (last FY and current FY to date)
Historic Preservation:	Historic Preservation Fund Grants-in-Aid (15.904)	National Park Service, Department of the Interior	Formula Grants, Project Grants	To provide matching grants to states for the identification, evaluation, and protection of historic properties; to provide matching grants to states to expand the National Register of Historic Places; and to provide grants to Indian Tribes and Alaskan Native Corporations to preserve their culture. Funds can be used for historic preservation activities such as preservation plans, architectural plans, engineering studies, and repair; major reconstruction is not eligible.	States, territories, and federally recognized Indian Tribes and Alaska Native Corporations	FY 99 est $42,412,000	$159,819 to $928,473
Surplus Federal Property:	Disposal of Federal Surplus Real Property (39.002)	General Services Administration	Sale, Exchange, or Donation of Property	To dispose of surplus real property by lease, permits, sale, exchange, or donation. Surplus real and related personal property may be conveyed for public health or educational purposes at discounts up to 100 percent. Property conveyed for health of education use must be used for those purposes for a period of not less than 30 years.	State and local government agencies, tax-supported and non-profit medical and educational institutions that are tax exempt under 501(c)(3) of the Internal Revenue Code.	FY 99 est $27,137,000 (salaries and expenses)	Not Applicable
	Federal Real Property Assistance Program (84.145)	Office of Human Resources and Administration, Department of Education	Sale, Exchange, or Donation of Property	To convey surplus federal real property for education purposes at fair market value. Must be used for education purposes, including higher education, libraries, central administrative facilities, and vocational education.	Entities providing educational programs, including: states; their political subdivisions and instrumentalities; and tax-supported organizations or private non-profit institutions that are tax exempt under 501(c)(3) of the Internal Revenue Code.	Not able to identify separately	Fair market value: $726 to $211,723
	Surplus Property Utilization (93.291)	Department of Health and Human Services	Sale, Exchange, or Donation of Property	To convey or lease surplus federal real properties that are needed and usable by eligible organizations and institutions to carry out health programs. Real property must be used for eligible health purposes, including research.	States, their political subdivisions and instrumentalities; tax-supported public health institutions; and non-profit institutions that are tax exempt under 501(c)(3) of the Internal Revenue Code.	FY 99 est. $283,900 (salaries and expenses)	Not Applicable

BEST COPY AVAILABLE

Research Facilities	Congressionally Identified Construction Projects (11.469)	National Oceanic and Atmospheric Administration, Department of Commerce	Project Grants	To facilitate education, research and development in the fields of marine and atmospheric science, through the provision of assistance for the construction of suitable facilities for these activities. Funds can be used for construction of facilities and construction-related activities to support the issues of atmospheric or marine sciences.	State and local governments, including their universities and colleges, quasi-governmental agencies, private universities and colleges, and private profit and non-profit organizations and/or individuals.	FY 99 est. $19,500,000	$140,000 to $14,205,000
	Research Infrastructure (93.389)	National Institutes of Health, Department of Health and Human Services	Project Grants	Among other goals, to enhance the research environment at minority colleges and universities in the health sciences and improve biomedical research facilities through matching grants for construction and renovation. Specifically, funds through the Research Centers in Minority Institutions (RCMI) Program are offered to predominantly minority institutions that offer the doctorate in health-related sciences to improve institutional infrastructure, including renovation of laboratories and animal facilities. Funds through the Research Infrastructure in Minority Institutions (RIMI) Initiative enable minority institutions to develop collaborative agreements with research-intensive, doctoral-granting institutions and improve institutional research infrastructure. Finally, construction grants provide funds to expand, remodel, or renovate existing research facilities or construct new research facilities for biomedical research and training (requires matching funds).	RCMI: institutions with more than 50% minority enrollment that award doctoral degrees in health professions or sciences; RIMI: institutions with nearly 50% minority enrollment that offer baccalaureate or master's degrees in health-related fields; Construction: any non-profit organization competent to carry out biomedical research.	RCMI: FY 99 est. $34,236,000; Construction: FY 99 est. $30,000,000	RCMI: $725,036 to $2,230,819; Construction: $409,398 to $1,500,000
	Basic, Applied, and Advanced Research in Science and Engineering (12.630)	Department of Defense	Project Grants (Cooperative Agreements).	To strengthen the infrastructure for research and related science and engineering education in those disciplines that can contribute to defense programs.	As stated in individual agency announcements (generally, competitions are open to private and public educational institutions that carry out science and engineering research and/or related science and engineering education on a nonprofit basis)	FY 99 est. $220,000,000	$1,000 to $3,000,000
	Mathematical and Physical Sciences (47.049)	National Science Foundation	Project Grants	To support basic research that will promote the progress of the mathematical and physical sciences. Support may be provided for science and technology centers and laboratory improvement. Grant funds may be used for paying direct and indirect costs necessary to conduct research.	Public and private colleges and universities and non-profit, non-academic research institutions.	FY 99 est. $734,400,000	$10,000 to $30,000,000

BEST COPY AVAILABLE

Other:	Project Grants for Facilities to Improve the Health Statusof Minority Populations (93.005)	Department of Health and Human Services	Project Grants	To construct, renovate, expand, repair, or modernize facilities designed to promote the improvement of the health status of minority underserved communities and populations.	Public and private non-profit entities	FY 99 est. $1,000,000 (FY00 est $0)	Est. $1,000,000 (one award)
	Promotion of the Humanities Challenge Grants (45.130)	National Endowment for the Humanities, National Foundation on the Arts and Humanities	Project Grants	To support educational and cultural institutions and organizations in order to increase their financial stability and to sustain or improve the quality of humanities programs, services, or resources. The preferred use of funds is the creation of endowments; however, direct expenditures on construction and renovation are possible where the need is compelling. Institutions must provide matching funds.	Any public or private non-profit institution or organization working wholly or in part within the humanities.	FY 99 est. $9,900,000	Applicants may request up to $1,000,000 over three years. In FY 98, awards ranged from $20,000 to $600,000

As they strive for federal funding for their own facilities needs, Tribal Colleges may want to model their efforts on several federal programs targeted on other minority-serving institutions, and Historically Black Colleges and Universities (HBCUs) in particular. (See Table 5.) As noted by Wolanin (1998), there are many parallels in the development of federal support for Tribal Colleges and HBCUs, with the biggest difference being the length of time over which this development has occurred—for HBCUs, federal support began in the mid-nineteenth century, while support for Tribal Colleges began in the late 1960s. Partly because federal support for HBCUs has developed over many decades, substantial funding for the facilities needs of HBCUs has been appropriated, not just authorized.

For example, HBCUs receive funding through the Title III institutional aid program, and have had a specific part under Title III since 1986. HBCUs have used this funding to meet some of their facilities needs. A capital financing program, also under Title III, was set up specifically for HBCUs in 1992; the government makes loans available at below-market rates for the financing of essential campus structures such as classrooms and labs, in order to address these colleges' limited fund-raising successes and simultaneous need to keep tuition low enough for economically disadvantaged student bodies (Zook, 1993). In addition, HBCUs that are 1890 land-grant institutions have received funding for facilities construction and renovation, including a special facilities program under the cooperative extension service, since the mid-1960s. Some HBCUs receive funding through the National Park Service for the preservation of historically significant structures on their campuses, and others receive funding for scientific research facilities.

Table 5: Programs targeted toward other minority-serving institutions

Program Name and CFDA Number	Administering Agency	Type of Assistance	Program Objectives	Eligible Recipients	Program Obligations	Award Range (last FY and current FY to date)
Higher Education, Institutional Aid for HBCUs (84.031B)	Office of Postsecondary Education, Department of Education	Project Grants	To strengthen Historically Black Colleges and Universities (HBCUs) and Historically Black Graduate Institutions so that they may continue their unique role of educating black, educationally disadvantaged, and low-income students. Up to 50 percent of funds may be used for construction, maintenance, renovation, and improvement in instructional facilities.	Part B of Title III of the HEA includes Historically Black institutions that were established prior to 1964. See regulations for a list of eligible institutions.	FY 99 HBCUs: $134,500,000; HBGIs: $30,000,000	$500,000 to $2,590,482
Developing Hispanic-Serving Institutions (84.031S)	Office of Postsecondary Education, Department of Education	Project Grants	To provide grants and related assistance to eligible Hispanic-Serving Institutions so that they may improve their academic quality, institutional management, and fiscal stability and expand their capacity to serve Hispanic students and other low-income individuals. Funds may be used for construction, maintenance, renovation, and improvement in instructional facilities.	Title V of the HEA targets Hispanic-Serving Institutions. See regulations for eligibility requirements.	Available funds: FY 99 $28,000,000	Est. $375,000 to $425,000
Historically Black Colleges and Universities Capital Financing Program (no CFDA #)	Department of Education	Loans, Loan Guarantees	To facilitate low-cost financing that will enable HBCUs to renovate, refurbish and, in exceptional circumstances, construct or acquire capital facilities. Federal guarantees are issued on the full payment of principal and interest on qualified bonds, the proceeds of which are used for loans. Direct loans are also made under this program.	HBCUs. See regulations for a list of eligible institutions.	Bonds may be guaranteed up to $375 million	$4,000,000 to $10,000,000
Cooperative Extension Service (10.500)	Cooperative State Research, Education, and Extension Service, Department of Agriculture	Formula Grants, Project Grants	To provide educational and technical assistance for programs in the food and agricultural sciences. Also includes a facilities program, which is only authorized to fund projects for construction, renovation, planning, and development of new facilities, and equipment.	1862, 1890, and 1994 land-grant institutions (only the 1890 institutions are eligible for the facilities program)	FY 99 est. $415,139,340 (approx. $8,000,000 for the 1890 facilities program)	$890,000 to $19,962,000

Payments to 1890 Land-Grant Colleges and Tuskegee University (10.205)	Cooperative State Research, Education and Extension Service, Department of Agriculture	Formula Grants	To support continuing agricultural research at colleges eligible to receive funds. Funds may be used for the construction, acquisition, alteration, or repair of buildings necessary for conducting agricultural research.	Sixteen 1890 Land-Grant Colleges and Tuskegee University as specified in the legislation.	FY 99 est. $28,045,327	$518,078 to $1,539,502
Hispanic-Serving Institutions Assisting Communities (14.514)	Department of Housing and Urban Development	Project Grants	To help HSIs expand their role and effectiveness in addressing community development needs in their localities, including neighborhood revitalization, housing, and economic development consistent with the purposes of the Community Development Block Grant program.	Non-profit higher education institutions on the Department of Education's list of eligible HSIs or meet the statutory definition of HSIs.	FY 99 est. $6,500,000	Average $400,000
Historically Black Colleges and Universities CDBG Program (14.237)	Department of Housing and Urban Development	Project Grants	To help HBCUs expand their role and effectiveness in addressing community needs in their localities, including neighborhood revitalization, housing, and economic development consistent with the purposes of the Community Development Block Grant program.	HBCUs. See regulations for a list of eligible institutions.	FY 99 est. $9,000,000	$250,000 to $380,000
Historically Black Colleges and Universities Preservation Initiative (15.924)	National Park Service, Department of the Interior	Project Grants	To make grants to HBCUs for the preservation of historically significant structures on HBCU campuses; to perform condition assessments of National Register listed buildings; and to complete restoration of historically significant structures. Funds may be used to meet critical rehabilitation and restoration needs of historically significant buildings.	Historically Black Institutions with structures that have been recognized as historically significant. See regulations for list of institutions.	FY 99 est. $8,422,000	

Potential State and Private Resources

Although some funding for infrastructure development may be available from the above-mentioned federal programs, the facilities needs of Tribal Colleges are so great that they cannot be met through federal resources alone. The colleges therefore must look to state and private sources to supplement or leverage federal funds.

Currently, very few Tribal Colleges receive any funding from the states in which they are located. Fond du Lac Tribal and Community College represents a special case, in that it is part of the Minnesota State College and University system. As such, it may receive appropriations from the state legislature for construction and repair of facilities, including such necessities as student housing (MnSCU, 1999). The Navajo Nation, home of Diné College and Crownpoint Institute of Technology, worked for years to build its case in the Arizona and New Mexico state legislatures. In 1998, New Mexico voters approved a general obligation bond, from which Southwestern Indian Polytechnic Institute in Albuquerque will receive $1 million toward the construction of a new science building and Diné College will receive $1 million toward construction on its Shiprock campus (*Tribal College Journal*, Summer 1999, p. 41). In addition, the Arizona state legislature has recently passed a law authorizing funding for facilities construction and renovation at Diné College within the state—up to $1.5 million in FY2000-2001, and $1.75 for the following nine years (*Tribal College Journal*, Fall 1999, p. 29). For the most part, however, most Tribal Colleges can expect very little state funding in the future.

Perhaps more important in the long run, the colleges are attempting to form partnerships with private foundations and corporations. The American Indian College Fund is conducting a five-year capital campaign to raise more than $100 million for the colleges as a whole, while individual institutions have endeavored to make local contacts and improve their development activities. For example, after the W.K. Kellogg Foundation funded a feasibility study, Northwest Indian Community College launched a major capital campaign to raise $36 million for a permanent residential campus (*Tribal College Journal*, Winter 1999, p. 29). In addition, Oglala Lakota College was able to raise over $1.3 million, including grants from the Bush Foundation and the Arthur Vining

Davis Foundation and money from the local community, in order to obtain a Kresge Foundation challenge grant to build a new college center (*Tribal College Journal,* Fall 1999, p. 32). Such partnerships could be used to leverage the funds received from other sources. Nevertheless, the fact remains that most Tribal Colleges do not have the resources necessary for comprehensive fundraising efforts.

IV. Conclusions and Recommendations

In examining past and current trends in federal support for higher education facilities, this paper has drawn several conclusions regarding Tribal Colleges' facilities needs and existing opportunities for federal funding:

- The need for construction, renovation, and repair of academic and other facilities at Tribal Colleges is extreme. The colleges face a relative disadvantage compared with most mainstream institutions because meeting this need is an educational necessity, not just a high priority.

- In effect, the Tribal Colleges have been penalized because they are relatively new institutions and missed the federally funded "infrastructure boom" of the 1960s and 1970s. In addition, because the 1890 land-grant institutions have existed for a considerably longer period of time, funding for their construction and other facilities needs has been more significant than for the 1994 institutions thus far. There is therefore room for historical redress through targeted federal support for construction at the Tribal Colleges, both via the federal government's primary vehicle of support for the colleges, the TCCUAA, and through existing land-grant provisions.

- The shift in the focus of support for infrastructure from the federal government to the states and institutions themselves also has had a negative impact on the Tribal Colleges. In general, the colleges do not have firm relationships with states, and do not have the resources to run comprehensive capital campaigns or issue debt. In addition, states and institutions tend to use debt financing for infrastructure development rather than grant assistance.

- The Tribal Colleges depend on the unique association with the federal government that derives from their trust relationship. Thus, the federal government must play the role that the states are currently playing for other (public) higher education institutions. Overall, however, there is not much federal funding currently available to meet the facilities needs of the Tribal Colleges, especially assistance in the form of grants. Nevertheless, the channel for grant funding—the legislative infrastructure—does exist.

These conclusions support several recommendations regarding the White House Initiative's future goals:

- For the next budget cycle (FY 2001), the White House Initiative should work to influence the Department of Interior's request for funding under the construction provisions of the TCCUAA and the Navajo Community College Act. The requested amounts should be sufficient to meet the facilities needs of the Tribal Colleges, possibly over a five to seven year implementation period. For FY2000 through FY2003, unlimited federal funding for construction is authorized under these programs. To justify the amounts necessary, the BIA should be urged to conduct the review of Tribal College needs requested by the

Senate Appropriations Committee.

- The White House Initiative should urge the Department of Agriculture to expand and request the full amount authorized for facilities capacity-building under the Equity in Land-Grant Status Act of 1994. The legislation authorizes $1.7 million per year to be used for this purpose. In addition, because the authorized amount is too low to address Tribal College facilities needs, the Initiative should work to get it increased.

- The White House Initiative also should urge the Department of Agriculture to look beyond land-grant programs when serving Tribal Colleges, to other mission areas such as rural development. Specifically, the Initiative should explore the possibility for Tribal Colleges to use funds through the Department's Rural Development community facilities grants.

- Furthermore, the White House Initiative should press the Department of Education and the Bureau of Indian Affairs to request the maximum possible amounts authorized for the tribally controlled vocational institutions and the federally chartered colleges.

- Finally, the White House Initiative should encourage the Tribal Colleges to fully utilize the opportunities that are currently available as supplemental sources of facilities funding. In particular, the colleges should apply for funding for research facilities, historic preservation, and strengthening institutions (Title III).

Through a combination of these programs—and with full funding of authorized legislation—a significant proportion of the facilities needs of Tribal Colleges could be met over a period of five to seven years. Funding through the TCCUAA and the Navajo Community College Act could address construction and renovation needs of the 24 Title I schools and Diné College; capacity-building grants could help the 30 land-grant institutions; vocational and BIA funds could continue to help the tribally controlled vocational institutions and the federally chartered colleges; and supplemental sources of funding could be used to fill in some gaps. Nevertheless, no single source—not even the federal government—is likely to provide enough funds to cover all of the facilities needs of the Tribal Colleges. The White House Initiative must encourage the colleges to look beyond federal government programs, toward partnerships with states and private entities, whenever possible.

References and Other Sources

Ambac Financial Group, Inc. 1999. "Insured Transactions." From website (www.ambac.com).

American Indian Higher Education Consortium (AIHEC) and The Institute for Higher Education Policy. 1999. *Tribal Colleges: An Introduction.* Prepared for the Tribal College Research and Database Initiative. Washington, DC: AIHEC and The Institute for Higher Education Policy.

Billy, Carrie. 1999. "Economic Development and American Indian Communities: U.S. Department of Education Partnerships with Tribal Colleges, Tribal Governments, and Indian Organizations." Washington, DC, White House Initiative on Tribal Colleges and Universities, June 24.

Brainard, Jeffrey. 1999. "Is the Boom in U.S. Spending on Science a Mixed Blessing?" *Chronicle of Higher Education.* November 5.

A Compilation of Federal Education Laws. Volume III—Higher Education. [1999]. As amended through December 1999. Prepared for the use of the Committee on Education and the Workforce, U.S. House of Representatives, and the Committee on Health, Education, Labor, and Pensions, U.S. Senate. 106th Congress, 1st session, September.

Congressional Quarterly. 1965. *Congress and the Nation, 1945-64.* Vol. I. Washington, DC: Congressional Quarterly, Inc.

_____. 1969. *Congress and the Nation, 1965-68.* Vol. II. Washington, DC: Congressional Quarterly, Inc.

ED. See: U.S. Department of Education.

Froomkin, Joseph. 1968. *Students and Buildings: An Analysis of Selected Federal Programs for Higher Education.* Washington, DC: U.S. Department of Health, Education, and Welfare.

GAO. See: U.S. General Accounting Office.

GSA. See: U.S. General Services Administration.

Improving America's Schools Act of 1994. Title V—Miscellaneous Provisions. Part C—1994 Institutions. [Known as Equity in Land-Grant Status Act of 1994]. 1994. Public Law 103-382.

Kickingbird, Kirke and G. Mike Charleston. 1992. "Summary of Paper 3: Responsibilities and Roles of Governments and Native People in the Education of American Indians and Alaska Natives." (Summary written by Timothy Stark.) In Patricia Cahape and Craig B. Howley, eds. *Indian Nations at Risk: Listening to the People.* Charleston, WV: Clearinghouse on Rural Education and Small Schools, January, pp. 10-15.

Mazuzan, George T. 1994. "The National Science Foundation: A Brief History." NSF 88-16. Washington, DC, July 15. From website (www.nsf.gov).

Merisotis, Jamie P., Susan M. Chun, and Eileen O'Brien. 1991. "Higher Education Infrastructure: The Federal Role." *Research Briefs.* Vol. 2, No. 7. American Council on Education, Washington, DC.

Minnesota State Colleges and Universities (MnSCU). 1999. "Record Year at the Legislature." *MnSCU Performance Newsletter.* May. From website (www.mnscu.edu).

MnSCU. See: Minnesota State Colleges and Universities.

NASBO. See: National Association of State Budget Officers.

NASULGC. See: National Association of State Universities and Land-Grant Colleges.

National Association of State Budget Officers (NASBO). 1996. "Budget Decision-Making in Higher Education." *NASBO Information Brief.* Vol. 4, No. 1 (April 25). From website (www.nasbo.org/pubs/infobrf/highedbd.htm).

National Association of State Universities and Land-Grant Colleges (NASULGC). 1998. "The Land-Grant Tradition." From website (www.nasulgc.nche.edu/landgrtTOC.htm).

National Institutes of Health (NIH). 1998. "Legislative Chronology." *NIH 1998 Almanac.* From website (www.nih.gov/welcome/almanac/historical-data/legislative.html).

National Science Foundation (NSF). 1992. *Selected Data on Federal Support to Universities and Colleges: Fiscal Year 92.* Washington, DC: Government Printing Office.

_____. 1996. *Scientific and Engineering Research Facilities at Colleges and Universities: 1996.* Washington, DC: Government Printing Office.

_____. 1998. *Scientific and Engineering Research Facilities at Colleges and Universities: 1998.* Washington, DC: Government Printing Office.

NCES. See: U.S. Department of Education. National Center for Education Statistics.

New Jersey Commission on Higher Education. 1999. "New Jersey's Capital Investment in Higher Education: A Report to the New Jersey Commission on Higher Education." February. From website (www.state.nj.us/highereducation/capreport.html).

New Mexico Commission on Higher Education. 1998. "The Condition of Higher Education in New Mexico." Spring. From website (www.nmche.org/publications/condition.html).

_____. 1999. "1999-2000 Higher Education Funding Recommendations Overview." From website (www.nmche.org/legislature/99report/fundingoverview.html).

NIH. See: National Institutes of Health.

NSF. See: National Science Foundation.

ORBIS Associates. 1997. "Facilities Needs of Tribal Colleges." Unpublished.

South Dakota Board of Regents. 1998. "The State of Public Higher Education 1998." From website (www.ris.sdbor.edu/publication/SPHED/1998/sphe-8.htm).

The University Financing Foundation (TUFF). 1999. Website (www.tuff.gatech.edu).

TUFF. See: The University Financing Foundation.

USDA. See: U.S. Department of Agriculture.

U.S. Department of Agriculture (USDA). 1999. "FY2000 Budget Summary." From website (www.usda.gov).

U.S. Department of Agriculture (USDA). Rural Development Office. 1999. "Rural Housing Service: NonProfit and Public Body Opportunities." From website (www.rurdev.usda.gov).

U.S. Department of Education (ED). 1995. *Biennial Evaluation Report: FY 93-94.* Washington, DC: Government Printing Office. From website (www.ed.gov).

_____. 1997. *Biennial Evaluation Report: FY95-96.* Washington, DC: Government Printing Office. From website (www.ed.gov).

_____. 1999. "FY2000 Budget Summary." From website (www.ed.gov).

_____. 1999. "Guide to Education Programs." From website (www.ed.gov).

U.S. Department of Education. National Center for Education Statistics (NCES). 1995. "Chapter 4—Federal Programs for Education and Related Activities." *Digest of Education Statistics 1995.* Washington, DC: Government Printing Office, pp. 365-376.

U.S. General Accounting Office (GAO). 1995. *Land-Grant College Revenues.* HEHS-96-10R. Washington, DC: Government Printing Office, October.

_____. 1996. *Programs for Land-Grant Schools.* HEHS-96-91R. Washington, DC: Government Printing Office, March.

U.S. General Services Administration (GSA). 1999. *Catalog of Federal Domestic Assistance* (CFDA). June. From website (www.gsa.gov/fdac).

U.S. Senate. 1993. *Facility and Telecommunications Needs of Tribally Controlled Community Colleges.* Hearing before the Committee on Indian Affairs. 103rd Congress. Washington, DC, July 29.

U.S. Senate Committee on Appropriations. 1998. "Report on the Department of the Interior and Related Agencies Appropriations Bill, 1999." Report 105-227. 105th Congress, 2nd session.

Van der Werf, Martin. 1999. "Colleges Turn to Debt to Finance their Ambitions." *Chronicle of Higher Education.* March 19.

WHITCU. See: White House Initiative on Tribal Colleges and Universities.

White House Initiative on Tribal Colleges and Universities (WHITCU). 1998. "Priorities of the Tribal Colleges: The Executive Order on Tribal Colleges and Universities (E.O. 13021)." March 30. From website (www.ed.gov/offices/OVAE/TribalCol/tcuprior.html).

Wolanin, Thomas R. 1998. "The Federal Investment in Minority-Serving Institutions." In Jamie P. Merisotis and Colleen T. O'Brien, eds. *Minority-Serving Institutions: Distinct Purposes, Common Goals.* New Directions for Higher Education No. 102 (Summer). San Francisco: Jossey-Bass Publishers, pp. 17-32.

Zook, Jim. 1993. "Construction Loans for Black Colleges." *Chronicle of Higher Education.* December 1, p. A30.

Endnotes

[1] Information for D-Q University and Southwestern Indian Polytechnic Institute was not available.

[2] TCCUAA funds for general operations, under the primary provision of the act, are specifically prohibited from being used for facilities.

[3] Among other specific appropriations, the total figure does not include $1 million appropriated for Diné College in 1994.

[4] Similarly, the Navajo Community College Act authorizes $2 million in FY1999 and additional sums as necessary in the four subsequent years for construction at Diné College.

[5] Since 1981, the congressionally chartered Institute for American Indian Arts (IAIA) has been renting space from the College of Sante Fe. However, it will soon build its own campus on donated land, after securing money from Congress, the U.S. Economic Development Administration, and the state legislature. The colleges still needs to raise several millions of dollars from private donors, foundations, or possibly a general obligation bond issue (*Tribal College Journal*, Fall 1999).

BEST COPY AVAILABLE